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Title: A Resolution Authorizing the Acquisition of Property to be Used for Southern Delivery System Project Improvements

Presenter:
Lyman Ho, SDS Land Acquisition Manager
Aram Benyamin, Chief Executive Officer

Sponsors:

Indexes:

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Attachments: 1. SDS Bostrom Res Land Acqu_CC_Bachmann_Roberts_Jan 2019_Final.pdf, 2. SDSPurchasePriceForAcquisitionRES__Exhibits_RobertsBachmann.pdf, 3. SDSPurchasePriceForAcquisitionRES_RobertsBachmann-2018-10-23.pdf, 4. Signed Resolution 9-19

Date	Ver.	Action By	Action	Result
1/22/2019	1	City Council	adopted	Pass

A Resolution Authorizing the Acquisition of Property to be Used for Southern Delivery System Project Improvements

Presenter:

Lyman Ho, SDS Land Acquisition Manager
Aram Benyamin, Chief Executive Officer

Summary:

Colorado Springs Utilities requests City Council approval of a resolution authorizing the acquisition of approximately 8.8432 acres of real property needed for the Gary M. Bostrom Reservoir from Ruth D. Roberts, now known as Ruth D. Anderson, and Ryan B. Roberts (collectively, the "Roberts") and Marilee F. Bachmann ("Bachmann") known as Tax Schedule Number 45000-00-098 in the records of the El Paso County Clerk and Recorder (the "Property").

Previous Council Action:

On December 10, 2013, City Council approved Resolution No. 134-13 authorizing negotiations to acquire the Property.

Background:

These acquisitions join nearly 2,200 acres of property already acquired for the Southern Delivery System ("SDS") project. Presuming approval of the two acquisitions on today's agenda, approximately 3 additional properties will be required for the reservoir. Utilities seeks acquisition of the Property as described in the attached resolution in order to clear up title issues associated with

the Property.

In 1995, the City of Colorado Springs, on behalf of Utilities, condemned an easement across a portion of the Property for an overhead electric transmission line. After reviewing the Rule and Order from this condemnation matter, the El Paso County Assessor's Office determined that the Property was owned in fee by the City/Utilities. Additionally, due to ambiguities in legal descriptions in deeds transferring ownership of the Property following the City's condemnation matter, it is unclear whether past sales involving the Property included the portion of the Property encumbered by the City/Utilities electric transmission easement. In order to clear up these title issues, Utilities entered into separate negotiations with Bachmann and Roberts to obtain quit-claim deeds to the fee underlying the existing easement area and the remainder of the Property, respectively.

As a result of these negotiations, Utilities has agreed to pay Bachmann \$1,000.00 and Roberts \$7,500.00 as consideration as stated in the Resolution, subject to City Council approval. Notwithstanding the unique title history of the Property, Utilities complied with all requirements included in *The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests* (the "RES Manual") in the negotiations for the acquisition of the Property.

Though the proposed settlement amounts are under the RES Manual acquisition thresholds for City Council approval, the SDS project has consistently requested formal approval from City Council on all acquisitions.

Colorado Springs Utilities requests that City Council adopt the attached resolution authorizing the acquisition of Property from Roberts and Bachmann. Additionally, the attached resolution authorizes the City's Real Estate Services Manager to execute all documents necessary to close the transaction.

This item supports the City's strategic goal of investing in future infrastructure.

Financial Implications:

This land acquisition has been budgeted in the 2019 Utilities' budget. If City Council does not approve the Resolution, Utilities will be lacking a portion of the area needed for the Bostrom Reservoir project.

Board/Commission Recommendation:

N/A

Stakeholder Process:

Staff has been in contact with the other parties to negotiate the acquisition of the Property.

Alternatives:

Approve the attached Resolution authorizing the acquisition of the Property from Roberts and Bachmann; or do not approve the attached Resolution, however choosing this alternative will result in delayed land acquisition and potential increased land acquisition costs for developing the Gary M. Bostrom Reservoir.

Proposed Motion:

Move approval of the proposed Resolution authorizing the acquisition of property to be used for

Southern Delivery System Project Improvements.

N/A